

3.0 Action Plan

Strategic Recommendations.....	3.1
Regulatory Enhancements.....	3.3
Five Year Action Plan	3.5
25-Year Projections	3.7
LCI Goals	3.10



Strategic Recommendations

Implementation of the Fayetteville LCI Plan will be led by the City of Fayetteville in concert with several key partners:

- The Downtown Development Authority (DDA)
- Fayette County
- Georgia Department of Transportation (GDOT)
- Atlanta Regional Commission (ARC)
- Local property owners and developers

The City of Fayetteville will be responsible for managing the overall development plan and action plan. The Planning Team encourages the City to focus its early efforts on the 2-Year Priority projects as listed in Section 2.0 Development Plan. These initiatives are purposefully concentrated in the northwest quadrant of downtown within several blocks. Concentration on these projects will maximize the plan's impact on downtown stabilization and revitalization and prevent the City from over-extending its efforts geographically and/or financially during the early stages of implementation.

As future phases are implemented, many of the land use/urban design projects that the City will undertake are based upon complementary transportation improvements. The City will need to maintain good relationships with Fayette County and the Georgia Department of Transportation and phase projects as possible so that transportation improvements lead or are completed with major land use changes.

Phasing and the magnitude of improvements are based heavily on the market study summarized in Section 1.0 and contained in its entirety in the appendix. The market study recognizes the oversupply of commercial property within the City of Fayetteville and within the Fayetteville Trade Area. In order for the downtown area to attract and maintain quality businesses, the City will need to limit downtown-appropriate development in other parts of the City. The Planning Team recommends that commercial zoning be monitored closely by the City and limited where possible, particularly on Highway 85 between Downtown Fayetteville and the Pavilion shopping area.

The Downtown Development Authority and its committee members have served a vital role in establishing and supporting this plan for downtown revitalization. As such, the DDA is prepared to assist the City with property acquisition and funding for early projects. Purchase of the land for the Fayetteville Village Green and project management for the site's open space projects falls within the mission of the Downtown Development Authority and they will take a leading role in implementing this first land use project. The DDA will also assist the City in developing plans and raising funds for streetscape projects including those on Glynn Street, Lanier Avenue, Stonewall Avenue and Lee Street.

The Fayetteville LCI Plan has been developed in cooperation with the Fayette County Transportation Plan (by URS- expected to be complete in the Spring of 2003). Fayette County Transportation officials have participated in establishing the transportation projects contained in this plan and have included several within the County Plan including signal installations, intersection improvements and roadway projects. The City of Fayetteville will look to Fayette County to assist in designing and implementing key transportation projects including modifications to Highway 85 intersections at Stonewall and Lanier Avenues, median enhancements on Highway 85/Glynn Street, realignment of Hood Avenue and the West Forest

Fayetteville Livable Centers Initiative

Action Plan

Avenue extension. If a SPLOST referendum is passed by Fayette County in the near future, the County will also be expected to assist in funding some of these improvements.

The Georgia Department of Transportation District Office in Thomaston has also participated in providing oversight for the Fayetteville LCI Plan. The City of Fayetteville will look to GDOT to assist in developing and funding multiple transportation improvements. The City should continue to look to GDOT for guidance on roadway projects and streetscape projects affecting Highways 85, 54 and 92 through Fayetteville. Additionally, GDOT may play a role in funding median enhancements on Glynn Street as a public safety improvement. The City should pursue ISTEA and CMAQ grants through federal outlets and GDOT to implement downtown streetscape improvements including those on, Glynn Street, Lee Street, Lafayette Avenue and Lanier Street.

The City of Fayetteville will look to the Atlanta Regional Commission and the Livable Centers Initiative in particular to assist with implementation of the Fayetteville Village Green and Glynn Street/Highway 85 streetscape improvements. Each of these projects plays a significant role in mitigating traffic congestion in Downtown Fayetteville, enhancing access to important downtown facilities and landmarks, catalyzing development of important land use projects and reestablishing a sense of place in Downtown Fayetteville.

Finally, the City of Fayetteville is expected to house an open house for local property owners and developers and implementation of the Fayetteville Village Green begins. The City of Fayetteville is fortunate to have had strong interest from several local and regional developers who are willing to assist with property acquisition and project development to enhance Downtown Fayetteville and the surrounding area. The City is expected to begin negotiations for acquiring property for at least the first phase of the Fayetteville Village Green shortly. Once the property has been acquired by the City or in partnership with a developer, the City is expecting to develop the project's major open spaces and roadways, while a private developer will be tasked with designing and constructing the town center's retail, office and residential structures.

This arrangement may also provide a model for development of the first phase of the Main Street Residential District, with the City taking leadership for public open spaces while private development takes the lead on facility and infrastructure construction.

Regulatory Enhancements

The City of Fayetteville is fairly advanced in supporting mixed-use downtown development. Over the last decade, the City has implemented a Main Street Architectural Overlay District and specialized downtown commercial zoning (C-1). Each of these regulations encourages mixed-use development in the downtown area and architectural styles that are consistent with the city's historic core.


While the city has already taken steps to enhance downtown development, a series of zoning changes will be needed to implement the Fayetteville LCI Plan as described in the development plan:

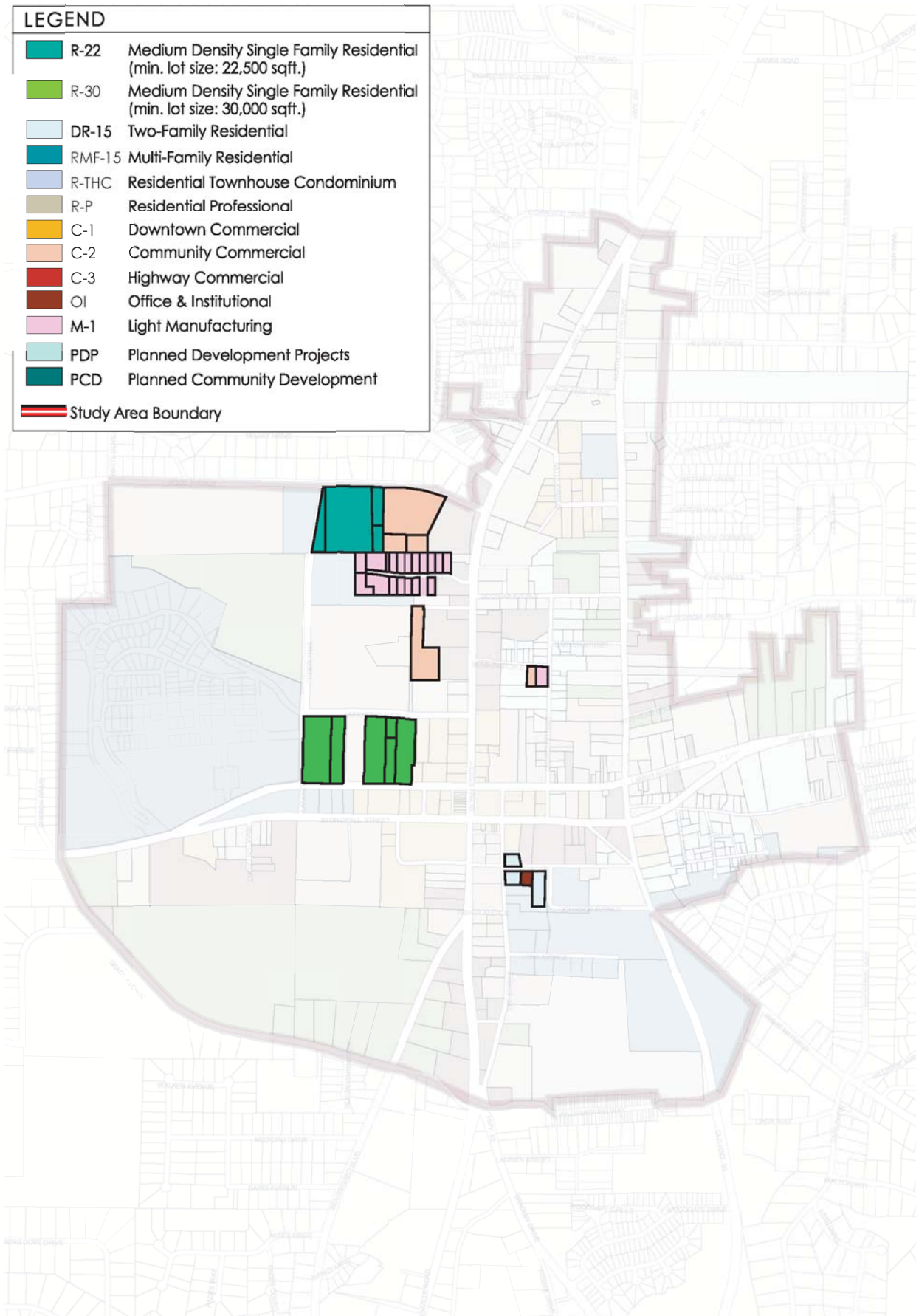
- Block A- some residential parcels will need to be rezoned to downtown commercial or a denser housing classification
- Block B- 5.6 acres of commercial (existing car dealership) should be rezoned to residential as described in the Downtown Development Program under "Main Street Residential District- Phase 1"
- Block D- 8.3 acres of residentially zoned land changing to office and institutional (mostly legal and complementary offices)
- Block G- Industrial area changing to multi-family or a mix of office and multi-family- 24.7 acres.

To accomplish the rezoning of the above areas, the City is expecting to work proactively with partner-developers as construction plans are developed. The City will most likely not attempt to rezone property under their current ownership expect when rezoning may assist in the negotiation for property acquisition. An enhancement in zoning classifications (allowances for additional square footage, density, etc.) should be contingent upon following the development concepts in this plan, or as altered by the City of Fayetteville, and commensurate Downtown Development Codes.

As mentioned in the previous section, the City of Fayetteville should continue to monitor commercial zoning and commercial development, steering downtown-appropriate facilities to the high priority areas described in the development plan (Section 2.0) and limiting additional commercial zoning in other parts of the City.

LEGEND

	R-22	Medium Density Single Family Residential (min. lot size: 22,500 sqft.)
	R-30	Medium Density Single Family Residential (min. lot size: 30,000 sqft.)
	DR-15	Two-Family Residential
	RMF-15	Multi-Family Residential
	R-THC	Residential Townhouse Condominium
	R-P	Residential Professional
	C-1	Downtown Commercial
	C-2	Community Commercial
	C-3	Highway Commercial
	OI	Office & Institutional
	M-1	Light Manufacturing
	PDP	Planned Development Projects
	PCD	Planned Community Development
	Study Area Boundary	



City
of
Fayetteville

FAYETTEVILLE LCI PLAN

URBAN COLLAGE, INC. • URS • Robert Charles Lesser & Co.

REGULATORY ENHANCEMENTS



1000 0 1000 2000 Feet

January 2003



5-Year Action Plan

The 5-Year Action Plan outlines transportation projects, land use/housing initiatives and other local projects that have been prioritized for the first five years. The action plan includes small and large-scale projects that may be implemented individually or in concert with other initiatives to increase connectivity, mobility and livability in Downtown Fayetteville. Additionally, these projects may be appropriate for funding by the Atlanta Regional Commission as part of the Livable Centers Initiative, the Georgia Department of Transportation (GDOT), other government sources or private organizations/foundations.

FIVE YEAR IMPLEMENTATION PLAN

Transportation Projects

Priority	Description	Type of Improvement	Engineering Year	Engineering Costs	Construction Year	Construction Costs	Total Project Costs	Responsible Party	Funding Source	Local Match Source	Match Amount
1	Implement traffic signal at Lafayette Avenue and Glynn Street	Traffic Signal	2003	\$40,000	2003	\$200,000	\$240,000	City of Fayetteville	Local		
2	Turn lane modifications and signage on Stonewall Avenue at Glynn Street/Ga. Hwy 85	Pedestrian and Street	2003	\$22,000	2004	\$110,000	\$132,000	City of Fayetteville/ Fayette County	Local/ Impact Fees		
3	Purchase right of way and construct Fayetteville Village Green park/plaza (Phase 1)- 4.5 Acres	Pedestrian and Street	2004	\$270,000	2005	\$1,800,000	\$2,670,000	City of Fayetteville/ Downtown Dev't Authority	LCI	Downtown Development Authority	\$534,000
4	Implement median enhancements on Glynn Street/Ga. Hwy 85- 3200 Feet	Pedestrian and Street	2004	\$96,000	2005	\$960,000	\$1,056,000	City of Fayetteville/ Fayette County	Local		
5	Implement streetscape enhancements on Glynn Street/Ga. Hwy 85- 3200 Feet	Pedestrian and Street	2006	\$224,000	2007	\$2,240,000	\$2,464,000	City of Fayetteville	LCI	City of Fayetteville/ Fayette County	\$492,800
6	Lafayette Avenue Extension- 720 Feet	Street	2006	\$127,000	2007	\$635,000	\$762,000	City of Fayetteville	Local/ Impact Fees		
7	Fayetteville Greenway construction	Pedestrian and Bicycle	2006	\$43,000	2007	\$430,000	\$473,000	City of Fayetteville	Local		
8	Lee Street improvements	Pedestrian and Street	2006	\$100,000	2007	\$1,000,000	\$1,100,000	City of Fayetteville	TE	City of Fayetteville/ Fayette County	\$220,000

\$8,897,000

\$1,246,800

Land Use/Housing Initiatives

Priority	Description/Action	Cost	Year	Responsible Party	Funding Source
1	Revise Fayetteville Village Green Zoning (where necessary)	\$0	2003	City of Fayetteville	N/A
2	Update City of Fayetteville Comprehensive Plan to reflect LCI Plan Initiatives	\$0	2003	City of Fayetteville	N/A
3	Develop Fayetteville Village Green Lodging, Retail, Office and Housing (Phase 1)	Private Sector	2005	City of Fayetteville	Private
4	Develop Fayetteville Village Green Housing and Open Space (Phase 2)	Private Sector	2007	City of Fayetteville	Private
5	Rezone Lee Street properties as needed to accommodate re-use of existing structures	\$0	2007	City of Fayetteville	Private

25-Year Projections

The following two tables display 25-Year population and employment projections for the LCI Study Area as requested by the Atlanta Regional Commission. These tables, developed by Robert Charles Lesser & Co. LLC, detail the estimated projected growth within the LCI Study Area assuming successful implementation of the LCI land use and transportation initiatives described in the previous section.

CITY OF FAYETTEVILLE

Appendix 1

ESTIMATED POTENTIAL POPULATION, HOUSEHOLDS AND HOUSING UNITS FAYETTEVILLE STUDY AREA 2000-2025

	CURRENT CONDITIONS--NO MAJOR INVESTMENT /1									
	1990	2001	Change 90 - 01	Projected 2005	Projected 2006	Change 01 - 06	2010	2015	Projected 2020	2025
Population	252	351	3.6%	381	388	2.1%	537	553	562	577
Households	101	149	4.3%	163	167	2.4%	182	194	204	210
Persons/HH	2.50	2.36		2.33	2.32		2.95	2.85	2.75	2.75

Estimated Addition of New Housing /2	2001 - 2006	2006 - 2010	2010 - 2015	2015 - 2020	2020 - 2025
For-Sale Detached	0	46	29		
For-Sale Semi-Attached	0	46			
For-Sale Townhouses	0	62	34		
For-Sale Lofts	0	10	0		
Rental Apartments	0	36	0		
New Units Added	0	154	34	0	0
Cumulative New Units Added	0	154	188	188	188

ASSUMING INVESTMENT WITH LCI GRANTS AND OTHER CITY INFRASTRUCTURE								
	1990	2001	2005	2006	2010	Projected 2015	2020	2025
Population	252	351	381	388	814	892	900	915
Households	101	149	163	167	336	382	392	398
Persons/HH	2.50	2.36	2.33	2.33	2.42	2.33	2.29	2.30

1/ Data supplied by Claritas, Inc. for the custom polygon equal to the study area.

2/ Assumes no projects are able to begin until 2006 and all proposed LCI enhancement developments are completed by 2012.

SOURCE; Robert Charles Lesser & Co.,LLC

CITY OF FAYETTEVILLE

Appendix 2

ESTIMATED POTENTIAL EMPLOYMENT GROWTH FAYETTEVILLE STUDY AREA 2000-2025

CURRENT CONDITIONS--NO MAJOR INVESTMENT /1

	1990	1995	1999	Estimated		Projected				
				2000	2001	2005	2010	2015	2020	2025
Employment	2,419	3,369	4,129	4,362	4,608	5,438	6,217	6,801	7,040	7,173
Annual Change		7.9%	5.6%	5.6%	5.6%	4.5%	2.9%	1.9%	0.7%	0.4%

Estimated Addition of New Commercial Space /2	S.F. To Be Added	Total Jobs Added
Office	15,000	55
Retail	40,500	81
Total	55,500	136
Cumulative New Employment Added		

ASSUMING INVESTMENT WITH LCI GRANTS AND OTHER CITY INFRASTRUCTURE /3

	1990	1995	1999	Estimated		Projected				
				2000	2001	2005	2010	2015	2020	2025
Base Employment	2,419	3,369	4,129	4,362	4,608	5,438	6,217	6,801	7,040	7,173
Office							55			
Retail							81			
Cumulative Incremental Employment						0	136	136	136	136
Total Employment						5,438	6,352	6,936	7,175	7,308

1/ Employment figures based on US Census data for 1990 and 2000 the City of Fayetteville. Assumes 80% of all employment in the City is located within the study area.

2/ Based on new commercial proposed from LCI Study.

3/ Assumes no new commercial space can be delivered until 2006 and given estimated demand will be absorbed within two years. Assumes 500 SF per retail employee and 275 SF per office employee from Metro Atlanta Chamber of Commerce.

SOURCE; Robert Charles Lesser & Co., LLC

LCI Goals

The following section describes how the Fayetteville Livable Centers Initiative addresses each of the 10 study deliverables required by the Atlanta Regional Commission.

1. Efficiency/feasibility of land uses and mix appropriate future growth including new and/or revised land use regulations needed to complete the development program.

The Fayetteville Livable Centers Initiative plan promotes development and redevelopment in an area immediately surrounding Fayetteville's traditional downtown. By creating a balanced mix of residential options (rental, for purchase, apartments, lofts, townhomes, single family homes), office space and retail/commercial facilities, the plan encourages development of a critical mass of residents, businesses and attractions within a short walking distance of one another.

Proposed land uses within the downtown core are supported by the City's existing downtown overlay district and specialized downtown commercial zoning classifications. Furthermore, proposed rezonings will increase the amount of residential property within walking distance of Downtown Fayetteville.

2. Transportation demand reduction measures

Concentration of development within the downtown core and several important transportation initiatives are included within the Fayetteville LCI plan to address transportation demand reduction. Building the critical mass of residents within the downtown area with the support of existing and new retail and office space is expected to greatly increase the number of residents who will walk from attraction to attraction rather than driving between residential enclaves and commercial strip developments on Highway 85. The probability of additional pedestrian traffic will be enhanced by several streetscape projects to complete the downtown sidewalk network and enhance buffers between automobiles and pedestrians. The downtown greenway system is expected to increase pedestrian traffic and reduce automobile trips as it connects downtown residential areas to important local attractions and landmarks.

Within the Fayetteville LCI plan, rerouting northbound traffic from Highway 85 (which is utilized over capacity today) to Jeff Davis Drive (where additional roadway capacity is available) will assist in reducing traffic demand and delays in the downtown area. The Fayetteville LCI plan also includes improvements to Hood Avenue, which along with Ginger Cake Road will form a new northwest bypass around the immediate downtown area for commuters and through traffic.

3. Internal mobility requirements- traffic calming, pedestrian circulation, transit circulation, bicycle circulation including safety and security of pedestrians

Completion of the downtown sidewalk network, development of the downtown greenway system and streetscape projects along Glynn Street, Lanier Street and Lafayette Avenue will increase mobility within the downtown area and enhance pedestrian safety and security. With the completion of the sidewalk network and the downtown greenway, multiple pedestrian paths will link residential areas, office buildings, retail/commercial districts and important city landmarks. Streetscape improvements included in the Fayetteville LCI plan call for further separation and buffering between automobiles and pedestrians and will serve to slow traffic in high-volume areas.

While public transit has not been proposed within or connecting to downtown Fayetteville, the concentration of development nodes in the downtown area and near the Pavilion shopping area may provide better linkages or termini if transit options become viable in the future for the south suburban area.

4. Mixed-income housing, job/housing match and social issues

The Village Green and Main Street Residential District developments call for a mix of housing types and price points including rental apartments, rental and for-sale townhomes and single-family residences. Through this plan, the downtown area is making a dramatic change from a commercial/institutional district to a true mixed-use environment. The plan calls for significant quantities of downtown residences (the Village Green, the Villages at Lafayette Park and the Main Street Residential District), enhancing the balance of jobs to housing and the supply of retail/commercial establishments within walking distance to residential areas will be greatly enhanced.

5. Continuity of local streets in study area and development of a network of minor roads

The Fayetteville LCI Plan calls for the extension of several existing local streets within the downtown area. These road extensions serve a dual purpose as they enhance access to the Fayetteville Village Green and the Main Street Residential District and recreate much of the City's original downtown grid. Recreation of the downtown grid will provide many additional options for motorists within the downtown area.

To this end, the Fayetteville LCI plan includes:

- Development of two new streets through the Fayetteville Village Green between Lafayette Avenue and Lanier Street
- Extension of Lafayette Avenue
- Development of several new residential streets as part of the Main Street Residential District
- Extension of West Forest Avenue
- Realignment of Hood Avenue
- Reclamation of Washington Street
- Extension of Carver Street
- Extension of Georgia Avenue

6. Need/identification of future transit circulation systems and line haul routes

While mass transit does not currently serve Fayetteville or Fayette County the enhancement of the downtown development node could be considered as a connecting point or terminus for future transit options if developed in Fayette County. The Highway 85 corridor between Fayetteville and Riverdale may also be considered for future transit circulation.

7. Connectivity of transportation system to other centers

The variety of transportation improvements contained within the Fayetteville LCI Plan will increase connectivity from the City of Fayetteville to Peachtree City, Riverdale and the Hartsfield International Airport area through various means.

The downtown greenway, proposed as part of this plan, is linked to a larger hike and bike system connecting Peachtree City to the City of Fayetteville. Further, roadway

improvements in and around the downtown area will better provide for through traffic in and around Downtown Fayetteville for commuters from Fayette County, Clayton County and other areas as they travel north to major job centers.

8. Center development organization and management, promotion and economic restructuring

Improvements in the Fayetteville LCI plan will be managed and developed by the City of Fayetteville and the Downtown Development Authority with some assistance from Fayette County. Improvements will aid in the stabilization and revitalization of the downtown business district and better promote Downtown Fayetteville as a tourist destination.

9. Stakeholder participation/support

Throughout the Fayetteville Livable Centers Initiative process a series of public participation techniques were utilized, providing an opportunity for community members to impart meaningful input into the plan's development. Public participation and input opportunities included:

- One-on-one stakeholder interviews
- Project Management Team meetings
- Core Team meeting
- Public Workshops.

As a result of the strong public participation exhibited throughout the planning process, there is strong support by City staff, City officials, the Downtown Development Authority and the community for the LCI Plan in general and development of the Fayetteville Village Green and Main Street Residential District in particular.

10. Public and private investment policy

Fayetteville is fortunate to have a strong collection of local developers within the community. As such, the City of Fayetteville has begun discussion with property owners and local developers to make portions of the plan, particularly the Village Green and the Main Street Residential District, a reality.

With strong city-developer relations, the city intends to guide the development pattern of downtown while the development community finances and constructs downtown facilities.

4.0 Appendix

Public Participation.....	4.1
Economic Situation Analysis.....	4.12



Public Participation

Throughout the Fayetteville Livable Centers Initiative process a series of public participation techniques were utilized, providing an opportunity for community members to impart meaningful input into the plan's development. Public participation and input opportunities included:

- One-on-one stakeholder interviews
- Project Management Team meetings
- Core Team meeting
- Public Workshops.

In the early stages of the planning process, outreach efforts assisted the Planning Team assemble an accurate picture of existing conditions, issues and forces affecting Downtown Fayetteville and the surrounding area. In later stages, public participation provided an ongoing mechanism for input and consensus building among community stakeholders.

The Project Management Team consisted of City of Fayetteville staff and elected officials. The Project Management Team provided daily direction to the project and guided the planning process. The Core Team included 12 community stakeholders who met on roughly a biweekly basis to provide guidance and input into the planning process.

Summary of Meetings

June 10, 2002-	Project Management Team Meeting
July 1, 2002-	Project Management Team and Core Team Meetings
July 9, 2002-	Stakeholder Interviews (other interviews by telephone over the next 2 weeks)
July 15, 2002-	Project Management Team and Core Team Meetings
July 29, 2002-	Project Management Team and Core Team Meetings
August 12, 2002-	Project Management Team Meeting
August 19, 2002-	Community Workshop #1
September 9, 2002-	Project Management Team Meeting
September 23, 2002-	Project Management Team and Core Team Meetings
October 7, 2002-	Community Workshop #2
October 30, 2002-	Project Management Team and Core Team Meetings
November 11, 2002-	Community Workshop #3
November 20, 2002-	Project Management Team Meeting
November 26, 2002-	Project Management Team Meeting
December 5, 2002-	Project Management Team Meeting
December 10, 2002-	ARC Development Fair
December 17, 2002-	Project Management Team Meeting
December 18, 2002-	Preliminary Review with ARC Land Use Division
February 6, 2003-	City Council Presentation and Approval

Stakeholder Interviews

While confidential minutes of each stakeholder interview on July 9, 2002 were taken, ideas and issues were consolidated into an issue matrix, contained in Section 1.8 of this document.

Public Workshops

As part of Community Workshop #1, approximately 60 City of Fayetteville residents participated in a series of "planning stations." These planning stations included hand's-on activities encouraging participants to define their vision for the study area and verify development opportunities. Also during the first community workshop, the *Fayetteville Compass* was

administered. The *Compass* is a community character survey developed by Urban Collage Inc. to construct a comprehensive view of a community in order to plan appropriately, efficiently and effectively for its future. The *Fayetteville Compass* included a 52-image visual preference survey and a series of multiple-choice and fill-in-the-blank questions regarding land use, transportation, sense of place and implementation.

A copy of the survey instrument is included on the following pages. For more information regarding the results of the *Fayetteville Compass*, please refer to the Community Vision portion of Section 2.0 in this report.

Approximately 80 citizens of Fayetteville attended community Workshop #2. After a review of the *Fayetteville Compass* results from Workshop #1, attendees were divided into five groups and used a base map, construction paper, pins and other tools to create a future land use diagram. Participants created a "collage" by envisioning and debating new development opportunities for parcels that had been identified as "likely to change" over the next 10 to 15 years.

Following the small group activity, each group presented their future land use plan to the larger group as the Planning Team noted significant similarities and differences.

The third community workshop focused on the area just north and northwest of the Courthouse Square (identified on the Concept Plan in Section 2.0 as Block "A," Block "B" and Block "F"). Participants were divided into two small groups during this workshop and used small colored building blocks to "design" a mixed-use development for the identified area. Both groups envisioned a central greenspace surrounded by two to three story buildings with restaurants, retail shops, residential units and office space. Participants were limited in the amount of retail space that could be located on the site in keeping with the market information identified during the planning process. At the end of the third workshop, participants identified commonalities between the two plans and discussed consensual concepts for the plan's finalization.

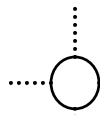


FAYETTEVILLE COMPASS

Part One: IMAGES

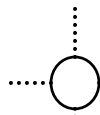
Directions: On the projection screen, a series of images will be presented. For each image, please rate its appropriateness, on a scale of 1 to 5, as a model for future development within the Fayetteville LCI Study area.

	Less Appropriate	←	→	More Appropriate	
COMMERCIAL					
Image 1	1	2	3	4	5
Image 2	1	2	3	4	5
Image 3	1	2	3	4	5
Image 4	1	2	3	4	5
Image 5	1	2	3	4	5
Image 6	1	2	3	4	5
Image 7	1	2	3	4	5
Image 8	1	2	3	4	5
Image 9	1	2	3	4	5
Image 10	1	2	3	4	5
Image 11	1	2	3	4	5
Image 12	1	2	3	4	5
Image 13	1	2	3	4	5
Image 14	1	2	3	4	5
RESIDENTIAL					
Image 15	1	2	3	4	5
Image 16	1	2	3	4	5
Image 17	1	2	3	4	5



Less Appropriate \longleftrightarrow More Appropriate

Image 18	1	2	3	4	5
Image 19	1	2	3	4	5
Image 20	1	2	3	4	5
Image 21	1	2	3	4	5
Image 22	1	2	3	4	5
Image 23	1	2	3	4	5
Image 24	1	2	3	4	5
Image 25	1	2	3	4	5
Image 26	1	2	3	4	5
Image 27	1	2	3	4	5
Image 28	1	2	3	4	5
TRANSPORTATION					
Image 29	1	2	3	4	5
Image 30	1	2	3	4	5
Image 31	1	2	3	4	5
Image 32	1	2	3	4	5
Image 33	1	2	3	4	5
Image 34	1	2	3	4	5
Image 35	1	2	3	4	5
Image 36	1	2	3	4	5
Image 37	1	2	3	4	5
Image 38	1	2	3	4	5



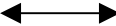
Less Appropriate  More Appropriate

Image 39	1	2	3	4	5
Image 40	1	2	3	4	5
Image 41	1	2	3	4	5
OPEN SPACE					
Image 42	1	2	3	4	5
Image 43	1	2	3	4	5
Image 44	1	2	3	4	5
Image 45	1	2	3	4	5
Image 46	1	2	3	4	5
Image 47	1	2	3	4	5
Image 48	1	2	3	4	5
Image 49	1	2	3	4	5
Image 50	1	2	3	4	5
Image 51	1	2	3	4	5
Image 52	1	2	3	4	5

Part Two: QUESTIONS

LAND USE

1. What types of new commercial development is appropriate in the study area?

	Less Appropriate ←————→ More Appropriate				
Drive-Up Commercial (e.g. banks, drive-thrus)	1	2	3	4	5
Traditional “Mom and Pop” Retail Stores	1	2	3	4	5
Strip Centers	1	2	3	4	5
Big Box Retail	1	2	3	4	5
Mixed-Use Developments	1	2	3	4	5
Restaurants/Dining	1	2	3	4	5
Office	1	2	3	4	5

2. What types of new housing are appropriate in the study area?

	Less Appropriate ←————→ More Appropriate				
Apartments	1	2	3	4	5
Condominiums	1	2	3	4	5
Townhomes	1	2	3	4	5
Single-Family Houses	1	2	3	4	5
Cluster Homes	1	2	3	4	5
Lofts	1	2	3	4	5

3. What is the appropriate price range for new housing in the study area?

	Less Appropriate ←————→ More Appropriate				
Less than \$100,000	1	2	3	4	5
\$100,000-\$149,000	1	2	3	4	5
\$150,000-\$199,000	1	2	3	4	5
\$200,000-\$249,000	1	2	3	4	5
\$250,000-\$299,000	1	2	3	4	5
\$300,000 and up	1	2	3	4	5

4. What types of open spaces are appropriate for the area?

	Less Appropriate ←————→ More Appropriate				
Small Park/Plaza	1	2	3	4	5
Large Park/Plaza	1	2	3	4	5
Walking/Biking Trail	1	2	3	4	5
Recreation Area (e.g. ballfields, playgrounds)	1	2	3	4	5
Passive Greenspace	1	2	3	4	5

5. What types of institutions are needed most in the area?

	Less Needed		←→	More Needed	
School	1	2	3	4	5
Library	1	2	3	4	5
Post Office	1	2	3	4	5
Community Center	1	2	3	4	5
Faith-Based Center	1	2	3	4	5
Youth Recreation Center	1	2	3	4	5
Senior Center	1	2	3	4	5

6. What types of retail establishments are most needed within the study area?

	Less Needed		←→	More Needed	
Dry Cleaners/Laundry	1	2	3	4	5
Grocery Store	1	2	3	4	5
Coffee Shop	1	2	3	4	5
Restaurants	1	2	3	4	5
News Stand	1	2	3	4	5

Other: _____

7. What type(s) of development densities are most appropriate for the downtown area?

	Less Appropriate		←→	More Appropriate	
Primarily Residential Neighborhood	1	2	3	4	5
Low-Density Mix of Uses (some retail/office)	1	2	3	4	5
High-Density Mix of Uses (blend of all uses)	1	2	3	4	5
No Change From Existing	1	2	3	4	5

8. What type(s) of development densities are most appropriate for the Highway 85 area?

	Less Appropriate		←→	More Appropriate	
Primarily Residential Neighborhood	1	2	3	4	5
Low-Density Mixed-Use (some retail/office)	1	2	3	4	5
High-Density Mixed-Use (blend of all uses)	1	2	3	4	5
No Change From Existing	1	2	3	4	5

TRANSPORTATION

9. Where is the most congested area within the Fayetteville LCI Study Area?

10. What would be the most appropriate means to reducing congestion within the study area?

	Less Appropriate ←————→ More Appropriate				
Build a bypass around the downtown area	1	2	3	4	5
Build a bypass around the City of Fayetteville	1	2	3	4	5
Enhance signal design and timing	1	2	3	4	5
Build additional roads in the downtown area	1	2	3	4	5
Seating Areas	1	2	3	4	5

11. Where are the most difficult places to cross the street as a pedestrian in the Fayetteville LCI Study Area?

12. What measures are needed to improve the pedestrian environment within the study area?

	Less Needed ←————→ More Needed				
More sidewalks	1	2	3	4	5
Maintenance of existing sidewalks	1	2	3	4	5
More crosswalks	1	2	3	4	5
Longer time to cross at traffic signals	1	2	3	4	5
Curb ramps/Handicap ramps	1	2	3	4	5
Additional landscaping	1	2	3	4	5
Maintenance of existing landscaping	1	2	3	4	5
Better lighting	1	2	3	4	5

13. Is there a parking problem in Downtown Fayetteville (please circle one)? Yes No

14. If so, what is most needed to improve parking within the study area?

	Less Needed ←————→ More Needed				
More parking lots	1	2	3	4	5
On-street parking	1	2	3	4	5
Parking closer to stores and offices	1	2	3	4	5

Other: _____

15. Based on the list of public improvements provided below, which items should be the highest priorities for improvement?

	Less Important		←→	More Important	
Sidewalks	1	2	3	4	5
Crosswalks	1	2	3	4	5
Streetscapes	1	2	3	4	5
Traffic Signals	1	2	3	4	5
Bicycle Lanes and Paths	1	2	3	4	5
Seating Areas	1	2	3	4	5
Parks and Open Space	1	2	3	4	5
Wayfinding Signage	1	2	3	4	5

SENSE OF PLACE

16. What object or place evokes the strongest sense of place and identity in Fayetteville?

17. What buildings or sites in the study area should be preserved?

18. What events or tasks draw you downtown?

19. What activities could be added to the area to create a more vibrant, “live, work & play” atmosphere?

	Less Appropriate		←→	More Appropriate	
More Restaurants	1	2	3	4	5
More Shops	1	2	3	4	5
Live Music Venue/Events	1	2	3	4	5
Outdoor Gathering Space	1	2	3	4	5
Nightclub	1	2	3	4	5
Museum	1	2	3	4	5
Family-Oriented Entertainment	1	2	3	4	5

Other suggestion: _____

20. What measure would be most effective in enhancing Downtown Fayetteville's sense of place?

	Less Effective		←→	More Effective	
Banners	1	2	3	4	5
Public Art	1	2	3	4	5
Consistent Sidewalks	1	2	3	4	5
Consistent Landscaping	1	2	3	4	5
Consistent Lighting	1	2	3	4	5
Consistent Architectural Character	1	2	3	4	5

IMPLEMENTATION

21. What are the most important implementation tools necessary to achieve a comprehensive vision for the area?

	Less Important		←→	More Important	
Enforceable Development Standards	1	2	3	4	5
Financial Incentives for Developers	1	2	3	4	5
Improved Permitting/Development Processes	1	2	3	4	5

22. If regulatory controls such as development standards were implemented, what types of standards would be most important?

	Less Important		←→	More Important	
Architectural Standards	1	2	3	4	5
Sidewalk Standards	1	2	3	4	5
Street Furniture Standards	1	2	3	4	5
Landscape Standards	1	2	3	4	5

23. After major transportation improvements, what should be the highest priority in terms of improving the quality of life in the area?

	Lowest Priority		←→	Highest Priority	
Balance Land Uses	1	2	3	4	5
Create Open Spaces	1	2	3	4	5
Enhance the Area's Identity	1	2	3	4	5
Encourage Mixed-Use Development	1	2	3	4	5

24. What types of communication efforts are most effective in terms of keeping the public informed of key issues and opportunities affecting future growth and development in the area?

	Least Effective		←→	Most Effective	
Email	1	2	3	4	5
Web Page	1	2	3	4	5
Public Meetings	1	2	3	4	5
Print Media (Fayette Daily News, etc.)	1	2	3	4	5

25. Tell us about yourself. Check all that apply:

- ☐ I live within the Fayetteville LCI Study Area
- ☐ I work within the Fayetteville LCI Study Area
- ☐ I shop within the Fayetteville LCI Study Area

What else would you like to tell us? Have we overlooked a key priority for the area?
Use the space below and on back for any additional comments:

Economic Situation Analysis

INTRODUCTION

The following is a summary of the study area situation analysis prepared by Robert Charles Lesser & Co., LLC (RCLCo) for the City of Fayetteville Livable Center Initiative (LCI) Study for continuing the revitalization efforts in the downtown and its surrounding area. The study area includes downtown Fayetteville and is bordered on the north by the split of Highway 314 and 85; on the south by Highway 85 and Grady Avenue; on the west by Highway 54 and Grady Avenue; and on the east by Highway 54 and Gwinnett Street. The study area as well as the City of Fayetteville and Fayetteville trade area can be seen in Figure 3. The results of the situation analysis were presented to the stakeholders on July 29, 2002.

The goal of the situation analysis and this report is to present critical factors for sustainability and revitalization based on case studies of other small towns that RCLCo has worked with. This report is not meant to recommend a strategy for the City of Fayetteville but rather to present the market context and proven critical factors from other areas.

The outline for our report is as follows:

- Market and Demographic Trends
- Situation Analysis
- Ideas for Revitalization



MARKET AND DEMOGRAPHIC TRENDS

Market Trends

Fayetteville's situation is not a unique one. Historically, suburbanization was created by a market willing to trade housing costs for higher transportation costs and thus relocate from central cities to more rural land in many cases outside the city limits. This trend, coined "the Industrial Era" resulted in a trade of quality of life and environmental protection for economic benefit. In doing so downtowns were abandoned for commercial strips in the suburbs and infrastructure continually extended out to serve population.

We are now living in a "Technical Era" where quality of life issues and more time for family are voiced as being more important, making the trade-off less attractive for both households and companies. Additionally, a younger workforce believes urban areas, and not the suburbs, are the "cool" places to live.

These trends reflect new attitudes towards sprawl, and increasing sentiment around the country that sprawl is costly¹ and negatively impacts quality of life. In particular are the increased concerns about traffic congestion, now ranked as one of the top five major concerns of citizens in most metropolitan areas. More cities and counties are coming to terms with the negative fiscal impacts of sprawl. In September 2000, *Smart Growth America* commissioned an opinion research firm to conduct a poll of American's attitudes toward growth issues. Interviews were conducted with 1,007 adults age 18 or older between September 7 and September 10, 2000. Altogether 80% said that they favored smart growth as solutions against sprawl and traffic congestion. These trends will only accelerate, continuing to dominate local and state issues and candidate elections, changing public policies.

¹ Today, increases in tax revenue are eaten up by the costs to the community of delivering new services, including water and sewer lines, schools, police and fire protection, and roads for people who live far away from existing infrastructure.



CITY OF FAYETTEVILLE

National Demographic Trends

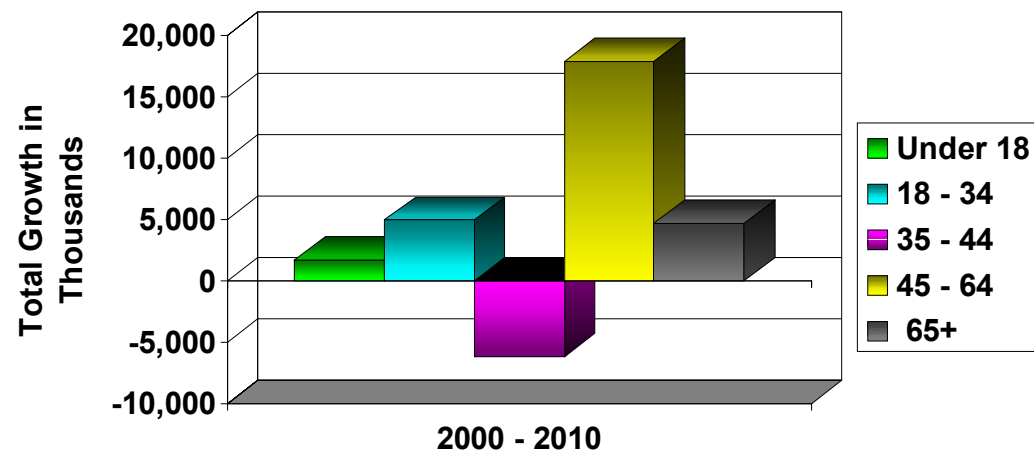
Other market trends include demographic shifts and the desire for the sense of community. In terms of demographics, the following trends are supporting revitalization efforts and changes in housing product types. These include:

- Aging baby boomers seeking an ease of lifestyle
- Young Gen-X'ers seeking lifestyle alternatives to those of their parents
- Growth in smaller households
 - Singles are a major growth market in the suburbs
- Increasing desires for a sense of place and community
- The rise of TND developments and revitalization of downtowns

Demographically, the aging baby boomers will represent the largest market segment in the next decade. As the baby boomers age and become empty nesters, lifestyles and housing preferences change.

Figure 1

National Demographic Trends, Age Shifts

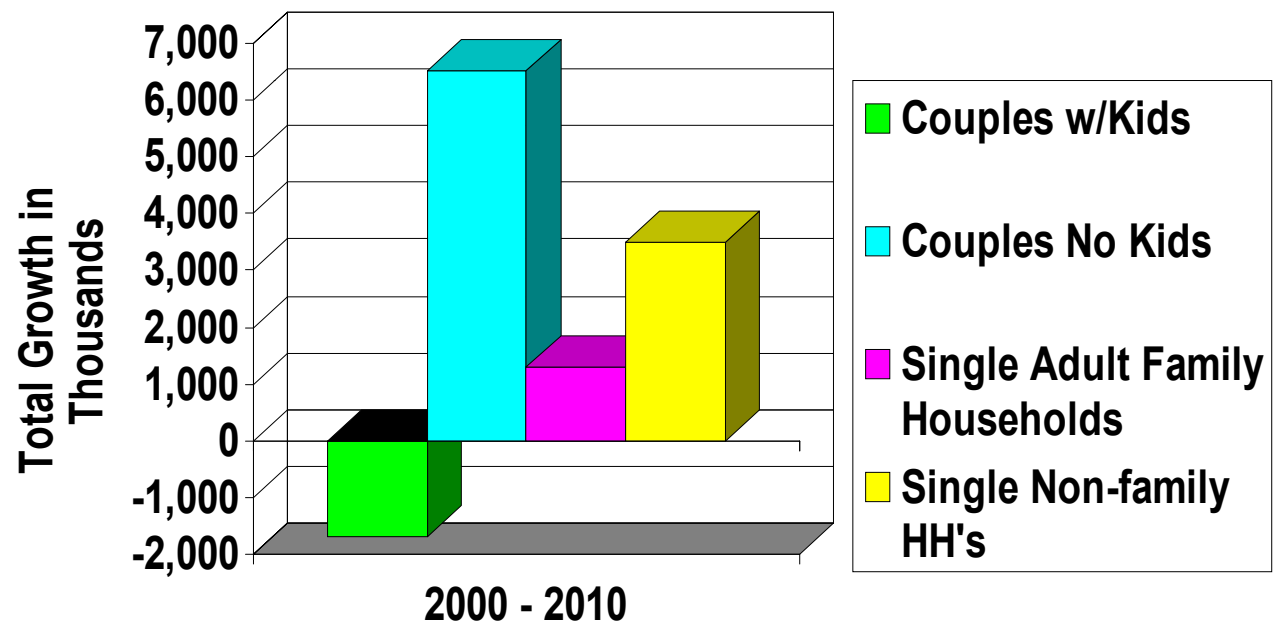


CITY OF FAYETTEVILLE

The market is becoming increasingly more diverse in terms of household and family type. For example, more and more young adults are delaying marriage or choosing not to marry. In 1950, 78% of US households were married whereas only 52% of US households were married as of the 2000 Census. In 1960, only 13% of US households were single households, compared to 26% as of the 2000 Census. In 1965, only 20% of women under the age of 30 did not have children. Today, 44% of women under the age of 30 have not had children. These trends are reflected in the chart below, illustrating the growth in households without kids, including married couples without kids and single non-family households.

Figure 2

National Demographic Trends

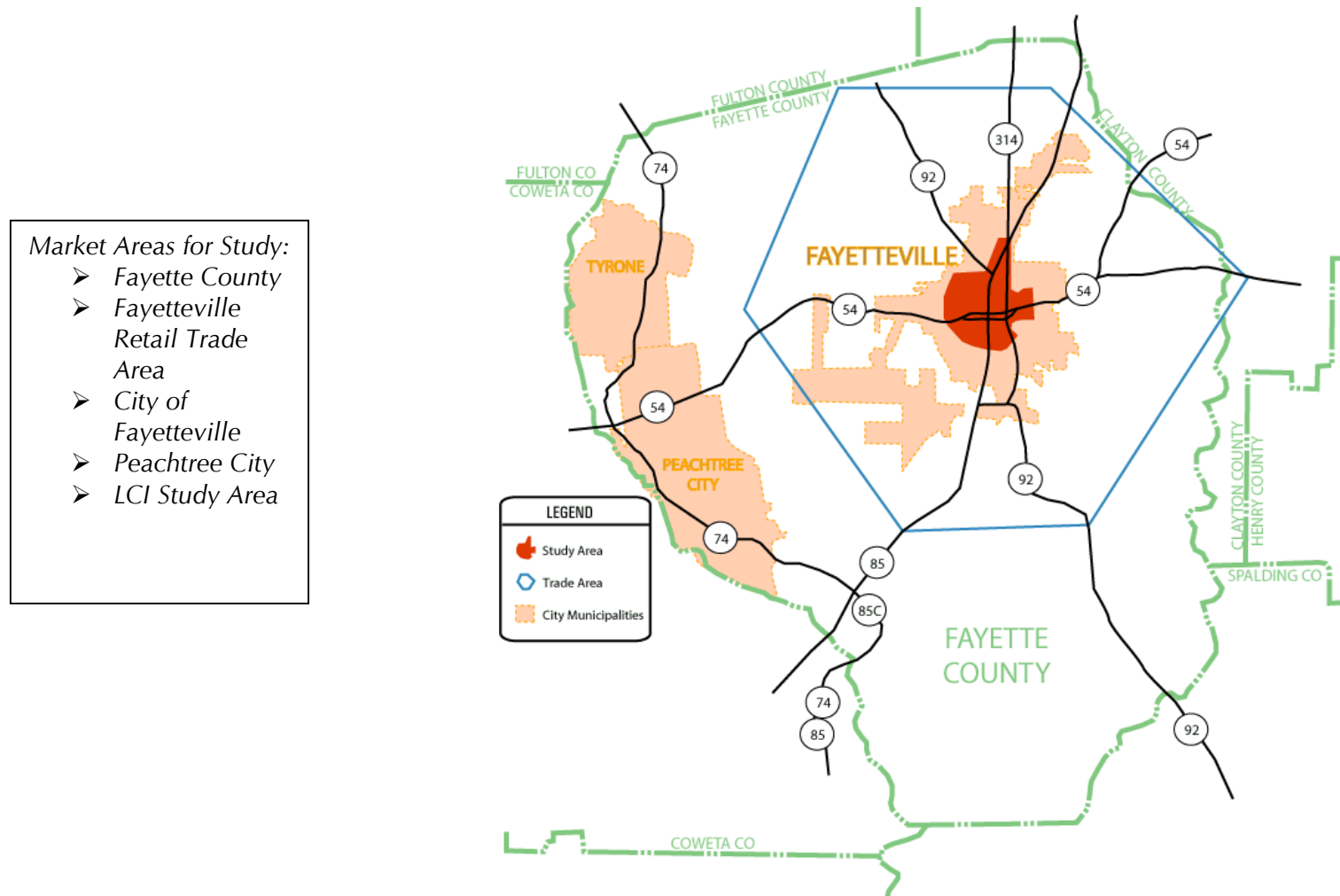


CITY OF FAYETTEVILLE

Local Demographic Trends

Figure 3

Area Map



CITY OF FAYETTEVILLE

Household Types as of 2000 Census

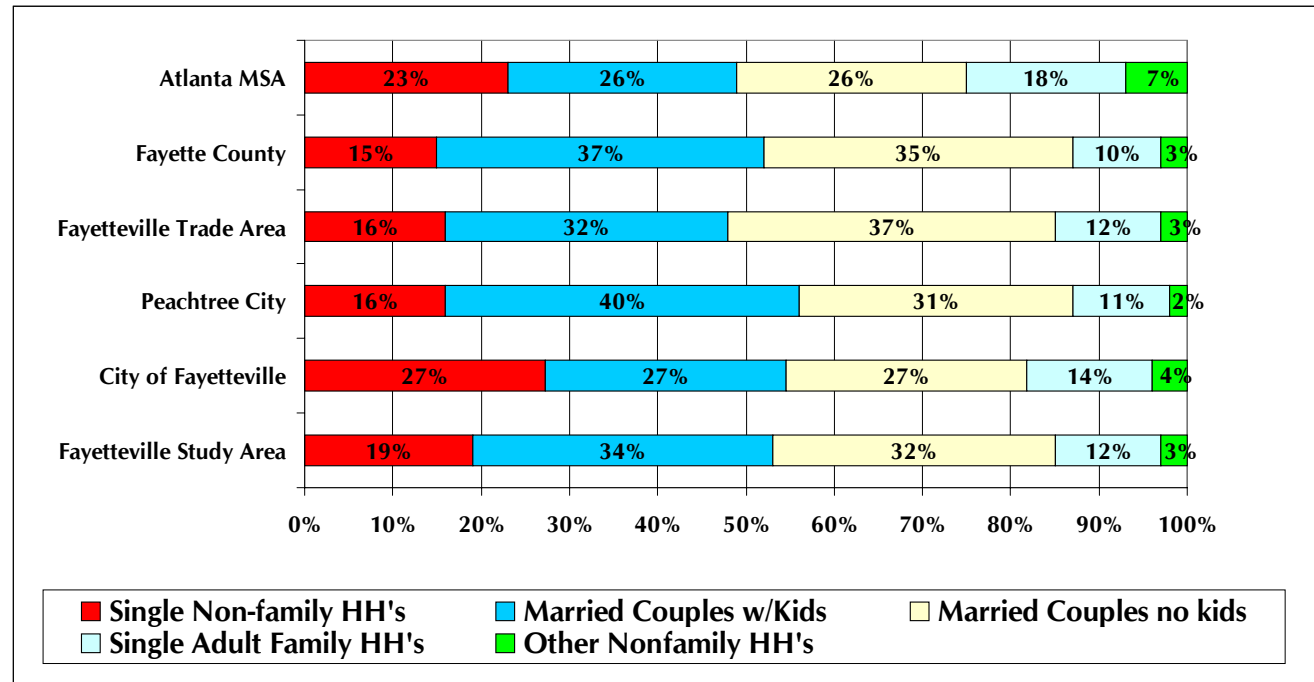
As of the 2000 Census, Fayette County had an estimated population of 91,263 with 31,524 households. The county accounts for approximately 2% of the household growth occurring in the 20-county Atlanta Metropolitan Statistical Area (MSA) and is expected to have a compound annual growth rate of 2.2% through 2006. While 37% of the county's households as of the 2000 census were defined as married couples with kids, 35% were defined as married couples without kids. These are the two major household types represented in the county.

Conversely, three major household types are represented in The City of Fayetteville as of the 2000 Census. These include single non-family households, married couples with kids, and married couples without kids, each accounting for 27% of the city's households. The city accounts for 12% of the county's population and 14% of county's households. The majority of the county's families with kids live in Peachtree City. The comparison of household type distribution for the areas of the Atlanta MSA, Fayette County, Fayetteville Trade Area, Peachtree City, City of Fayetteville and the LCI Fayetteville Study Area are shown in the chart in Figure 4 below.



CITY OF FAYETTEVILLE

Figure 4 *City of Fayetteville 2000 Household Type Composition as Compared to Other Locations*



Projected Household Types, 2000 to 2010

What is interesting is that the current national, regional and local trends demonstrate that married couples with kids are shrinking in size as a household type because as the Baby Boomers age and their children leave home they are re-defined as married couples without kids. (The Census definition of kids includes children under the age of 18 living at home.) In addition, because the Gen-X generation is a smaller group, as they age and have children, they cannot fill the void created by the Baby Boomers becoming "Empty Nesters."



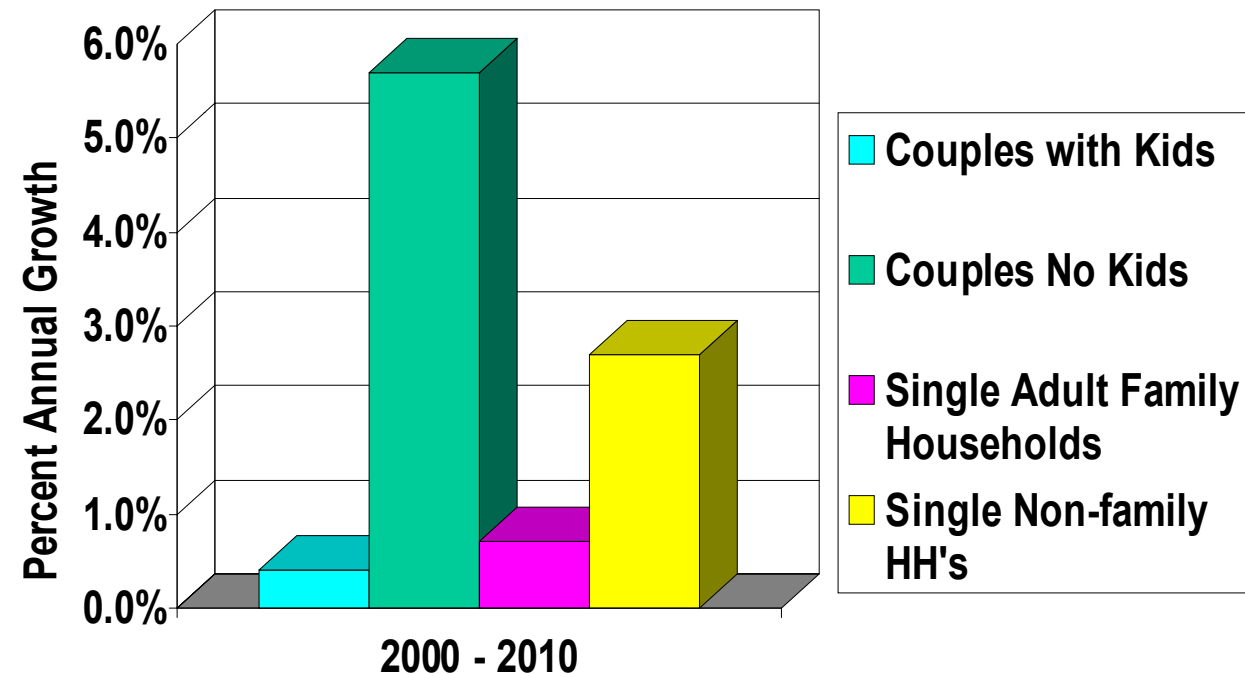
CITY OF FAYETTEVILLE

Another trend is the children of the Baby Boomers, referred to as Generation Y or “Echo Boom”, living on their own. This group, which is almost as large in size as their parents’ generation, the Baby Boomers, will be a sizeable household type over the next ten years, primarily as single non-family households. This group of young adults will become the major labor force for employment growth over the next two decades. Providing housing for this group will be critical to attracting industry and employment (economic development) in the City of Fayetteville and Fayette County.

As a result, over the next ten years, the US, Atlanta MSA, Fayette County and the City of Fayetteville will see a dramatic shift in household type composition and demand by housing type. To illustrate this shift in the City of Fayetteville, the graph below shows the annual rate of growth by household type.

Figure 5

City of Fayetteville Demographic Trends



CITY OF FAYETTEVILLE

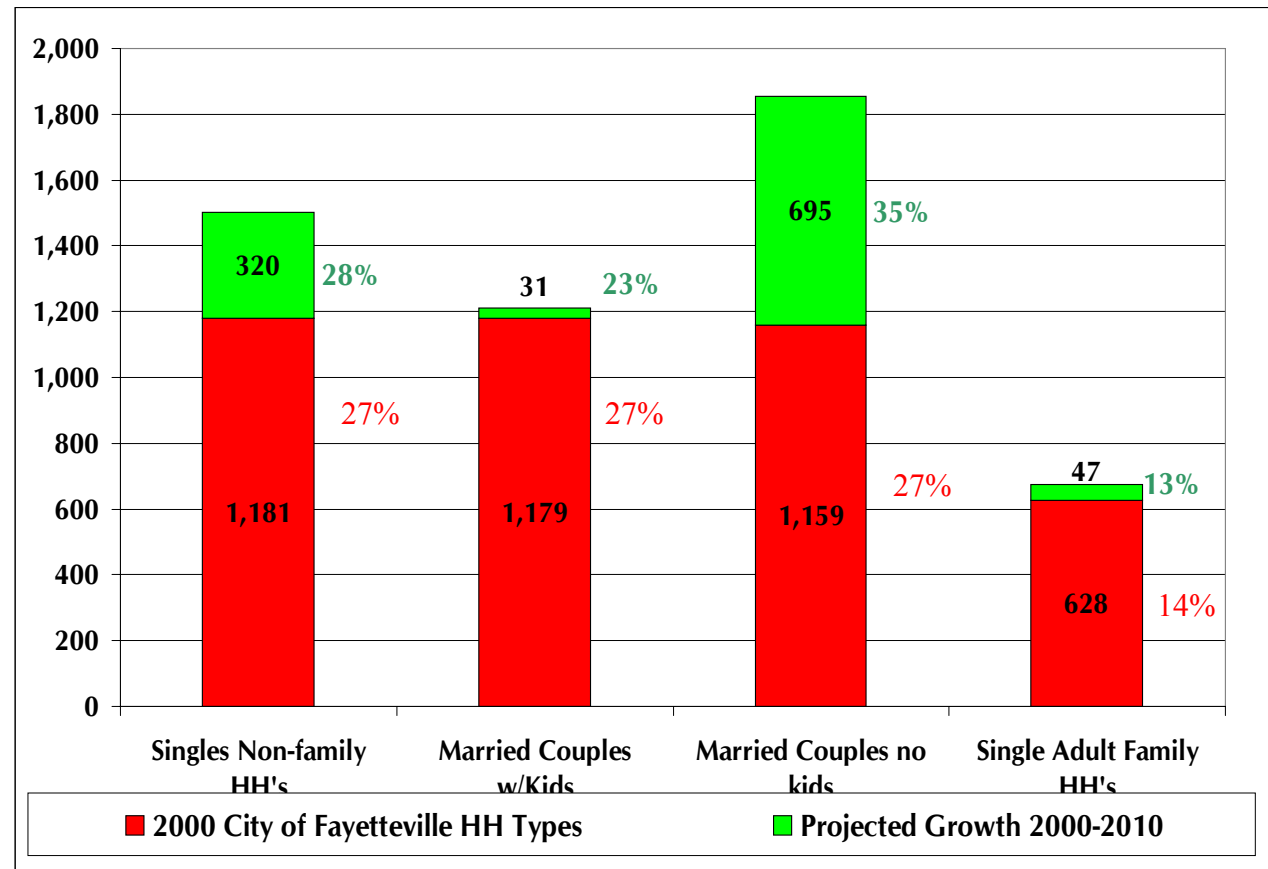
The specific household numbers both currently and projected over the next decade, by household type, for the City of Fayetteville are shown in the graph below. The numbers are total households in 2000 and total growth of households projected from 2000 to 2010. This illustrates the effect of this shift in household types at the local level.

Figure 6

City of Fayetteville Projected Demographic Trends

% -Represents the household distribution in 2000

% -Represents the household distribution in 2010



CITY OF FAYETTEVILLE

With the types of households changing in the City of Fayetteville it is important that the city embrace these changes in order to benefit from the potential for economic growth. The most important aspect for embracing the change is to ensure that the proper housing products are available to meet the needs of these different household types.

Housing Trends

As a result of the household type shifts nationally, housing preferences are changing rapidly. For example, there are increasing preferences for attached and detached low maintenance products, including detached homes on small lots, attached townhouse and duplex units, condominiums and other low maintenance products to simplify lifestyles.

Additionally there are preferences for housing designed and targeted to smaller, non-family households, including granny flats, rental lofts, rental over retail, four-plex rental and/or senior housing units, condo flats and other similar housing types. Other housing trends include preferences for connectivity and walkable neighborhoods as well as increasing preferences for vertically integrated housing, such as mixed-use projects and integration with retail or office.

Currently the City of Fayetteville has very little housing product other than single-family detached units. For the past several years attached housing has only accounted for approximately 3% of the total new and resale homes sold in the county. This percentage is extremely low when considering that 27% of existing households are single non-family households and 27% are married couples without children. Among these groups there are high preferences for housing products other than single-family detached homes. Even more dramatic is the disparity in housing types when considering the projected shifts.

In addition to for-sale attached housing units, rental housing units also have high preferences among the growing household types. Currently, the City of Fayetteville has a 30% renter household population with 4,338 occupied units being rented, including single-family detached units in the rental pool.

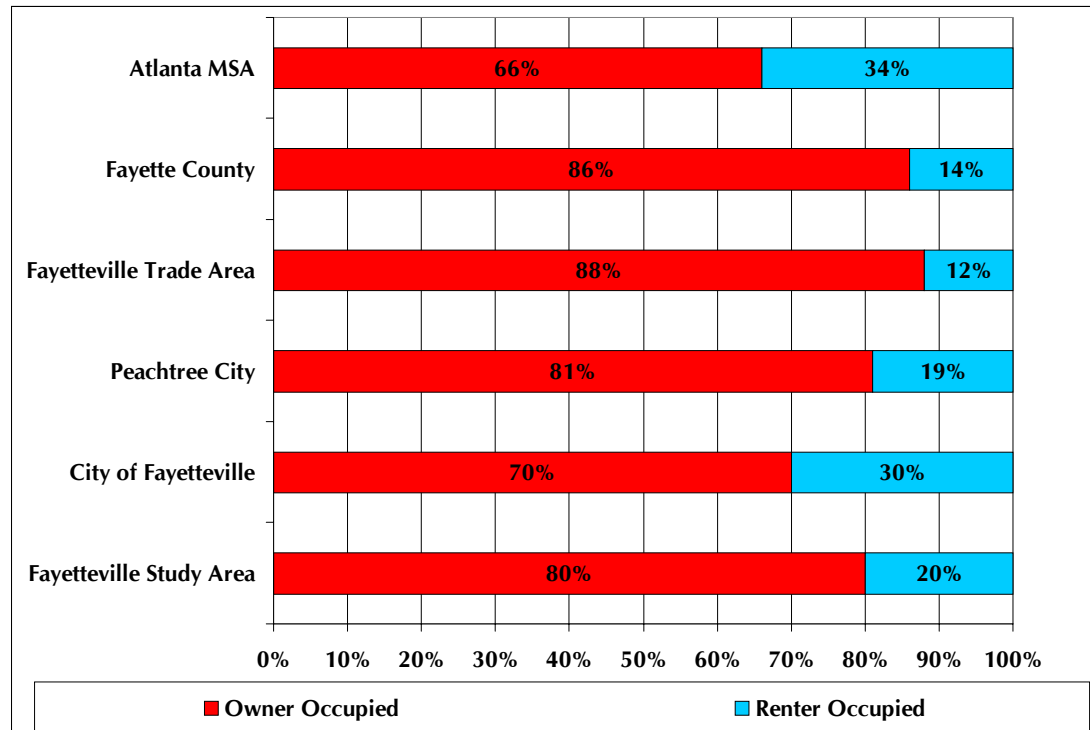


CITY OF FAYETTEVILLE

The distribution of owner and renter units by area is shown below.

Figure 7

Owner Versus Renter Housing Units



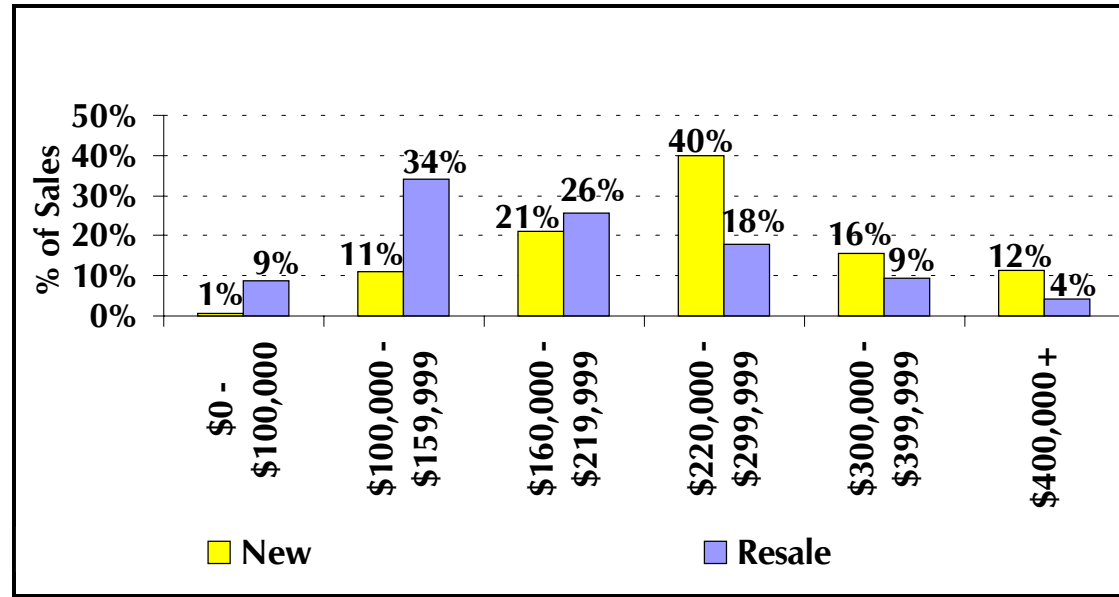
Given that downtown Fayetteville is included the Study Area, having only 20% rental units appears low.

For the past few years Fayette County has averaged sales of approximately 2,700 new and resale homes annually. As mentioned earlier, only 3% of the housing is attached and 97% of the homes constructed and sold are single-family detached units. The distribution of homes sold in the county during 2001 by price category is shown below.



CITY OF FAYETTEVILLE

Figure 8 *Fayette County Home Sales New and Resale (Including Attached and Detached) 2001 Year End*



As illustrated above, the majority of new housing sold in the county is priced above \$220,000, equivalent to a household income of \$75,000 and above. To attract the single household types, new product must be offered at a more affordable price point.



SITUATION ANALYSIS

Without continued annexation, the City of Fayetteville is projected to experience little growth over the next five to ten years. Projections indicate growth at a rate of only 1.7% from 2001 to 2006 from a high of 7.7% from 1980 to 1990. At the same time, the existing population will be aging, creating demand for other types of housing besides just single-family detached on large lots. In order to compete with “greenfield sites” in the county, the City will continue to be challenged to make a greater investment to create value for other types of housing, particularly housing for households without children. Such investment includes creating and enhancing a strong sense of place through landscaping, sidewalk programs, appropriate balance of housing and commercial spaces, and parks and greenspace.

The current situation in the study area and in the City of Fayetteville has been an over-zoning of commercial space and concentration of such space in one area of the city and lack of protection for neighborhood sustainability. As a result, many existing homes in the study area have been converted to commercial use.

The downside of over-commercializing and concentrating commercial in one area while not keeping an adequate balance of housing is that retail is a follower use and not a driver. In other words, retail follows population and so existing commercial space is threatened as population moves further out thereby putting pressure on retail to relocate. As population moves further out into the county, the existing commercial space in the study area is threatened for further decline without reinvestment and an increase in housing in and adjacent to the commercial center.

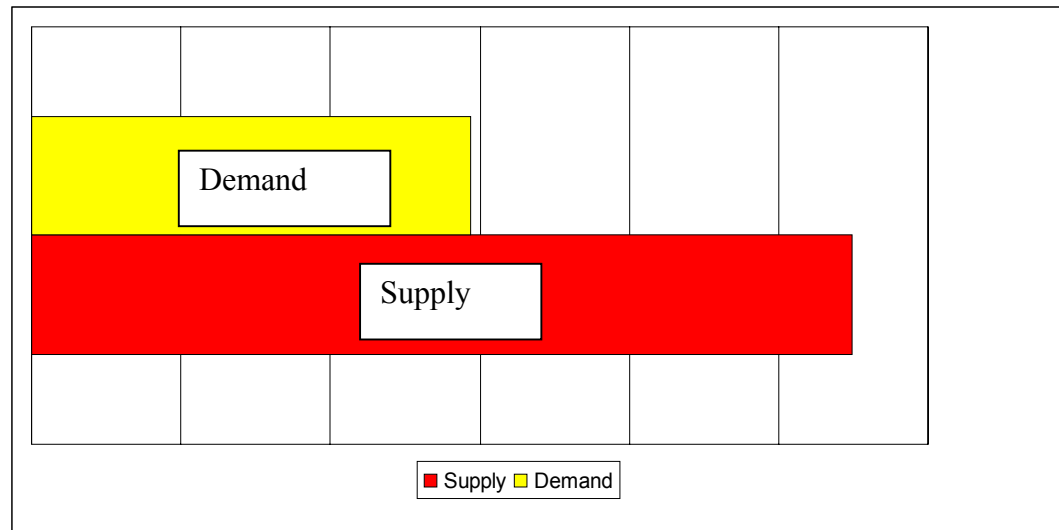
Additionally, the commercial space in the study area has no architectural significance. It is characterized as strip retail with open parking in front, along a wide high speed arterial with little or no pedestrian cross traffic, no human scale or mix of uses integrated with the commercial. The buildings lack character, feature little landscaping or other traffic calming features. No clear pedestrian routes exist or connections with residential that may exist behind the commercial center.

CITY OF FAYETTEVILLE

The commercial market is oversupplied. There is support for 1.5 million square feet of space within a five-mile trade area of the Fayetteville Study Area, and yet there is already 2.7 million square feet of space that exists in the Trade Area. This does not include the additional space that could be added on commercially zoned but undeveloped land. As such, the area is over-supplied with retail space.

Figure 9

Oversupplied Commercial Market in Trade Area



Some 85,000 people are needed to support the existing commercial space. The county's population is 91,263 persons, suggesting that support must come not only from outside the trade area but from outside the county, including from adjacent counties. While having some regional serving retail is appropriate, too much commercial space in one area creates traffic congestion, which in turn only influences commercial to relocate to other areas. The over-supply has resulted in lower appreciation rates of retail rents in the Trade Area, as shown in the table below.

CITY OF FAYETTEVILLE

Figure 10

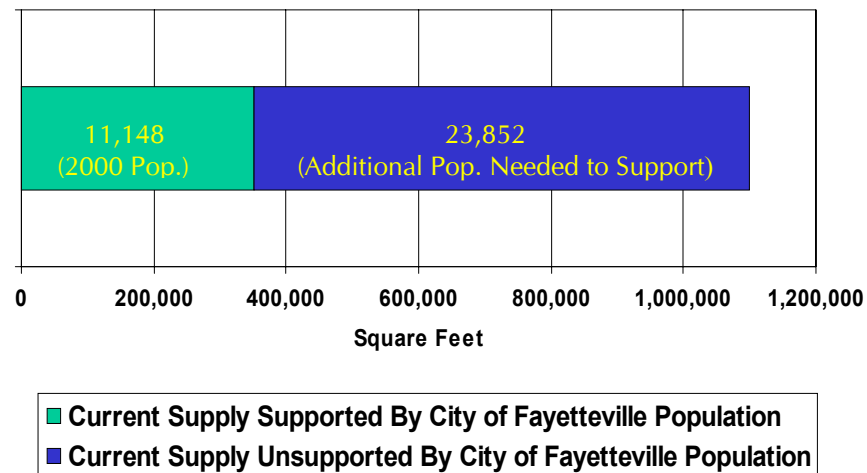
Retail Lease Rates

Geographic Location	Lease Rate Range		Approximate Average Lease Rate
Fayette County	\$6.00	\$20.00	\$13.00
Peachtree City	\$14.00	\$20.00	\$17.00
Trade Area	\$8.00	\$20.00	\$12.00
City of Fayetteville	\$8.00	\$20.00	\$12.00
Fayetteville Study Area	\$8.00	\$15.00	\$11.00

There is approximately 1.1 million square feet of space that currently exists within the Fayetteville Study Area, including downtown. Some 23,852 additional persons are needed to support this space, beyond existing population in the city.

Figure 11

Oversupplied Commercial Market in Study Area



CITY OF FAYETTEVILLE

In conclusion, the commercial corridor is over-supplied, requiring demand from outside the area. The consequences of this include:

- Traffic congestion
- Increasing vacancies in the retail centers
- Lower quality, including non-credit, tenants
- Low sales per square foot
- Continued turnover of retailers
- Lack of investment by shopping center owners, leading to decline

Threats that impact future commercial demand and an acceleration of this situation include:

- Population growth continuing outside the city
- Pressure to locate retail proximate to population
- Increasing traffic congestion
- New retail outside the trade area (Highway 54, etc.) that overlaps and competes with the trade area
- Aging retail centers
- Crime
- Negative fiscal impacts and costs of re-investment required by the city
- Lower quality of life for citizens

Some questions were asked at the stakeholders meeting including why commercial developers continue to make requests for commercial zoning and construct new shopping centers. The questions are excellent and the answers are as follows.

- Retail is a highly competitive business and retailers are increasing using architecture of the center and certain anchors to get the attention of hurried shoppers.



CITY OF FAYETTEVILLE

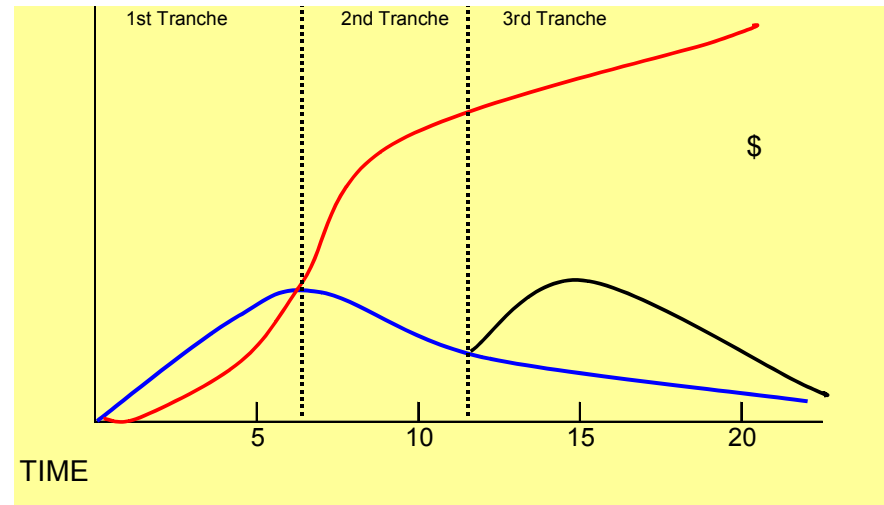
- Commercial developers and retailers are not typically concerned with the amount of commercial supply in a trade area. If an area has the incomes and retail buying power and if certain retailers are present in the market, competitive retailers will locate there. The reason is that they know if a certain retailer is there that the shoppers will patronize their store also.
- Retailers will move to be in a new shopping center with certain anchors because they know that those anchors will generate traffic and that shoppers tend to patronize new shopping centers.
- Commercial developers are not concerned with vacating shopping centers. They don't live in the community. However, the citizens and leaders of the community should be concerned.

Retail centers are typically constructed and financed with a seven-year life span, or what is known as the First Tranche. This is the length of time that the centers are typically owned by the original developer due to capital market requirements. At the end of the seven-year tranche, the center is either sold or re-investment occurs. If the commercial market is over-supplied, many times there is little incentive for re-investment and therefore tenants accepting of lower sales per square foot and owners accepting of lower rents become the norm in the Second Tranche. The longer one defers re-investment the more it costs to bring it up to market standards. This is illustrated in the chart below with the blue line representing a non-revitalized center, the red line representing the increasing amount of investment required, and the black line representing investment delayed until after the Second Tranche.



CITY OF FAYETTEVILLE

Figure 12



A solution to prevent over-supply, as a result of continued construction of new shopping centers and turnover of retailers from older centers to new centers, is to “force” re-investment in the existing shopping center. To do this, commercial zoning must be limited and higher density housing encouraged for a real balance of housing and commercial space to take place. By limiting the supply along with increasing or stabilizing the housing, re-investment can occur. Additionally, when retail is limited higher sales per square foot in the retail space can occur. Thus, retail sales increase and the fiscal impact is much greater than the same amount of retail sales over more commercial space. Obviously, this requires an understanding of the appropriate balance. Additionally, this requires political will and the result is positive fiscal and economic impacts to the area.



IDEAS FOR REVITALIZATION

Downtown Revitalization

Downtowns are favored locations for mixed-use and this is good news to support the continued revitalization efforts for downtown Fayetteville. Key criteria to support downtown revitalization efforts include:

- Having zoning in place to allow for mix of uses, vertically integrated real estate and entertainment
- Mix of uses already existing
- In many cases, strong architecture and scale
- Sense of location already built in
 - Includes “small town charm”

The City of Fayetteville has a core to build off of. Many downtowns have died before revitalization efforts begin and such situations require additional investment and time.

Other critical factors for downtown revitalization include:

- Housing in and adjacent to the downtown
- Connectivity to other uses
 - City Hall and other government offices
 - Hotel
 - Churches
 - Other institutional and civic
 - Offices
- Visible parking
- Architectural design
- Pedestrian orientation, including wide sidewalks
- Landscaping and streetscaping



CITY OF FAYETTEVILLE

- Connectivity to public spaces
 - Plazas
 - Parks
- Active uses along sidewalks to create vitality
 - Patio dining

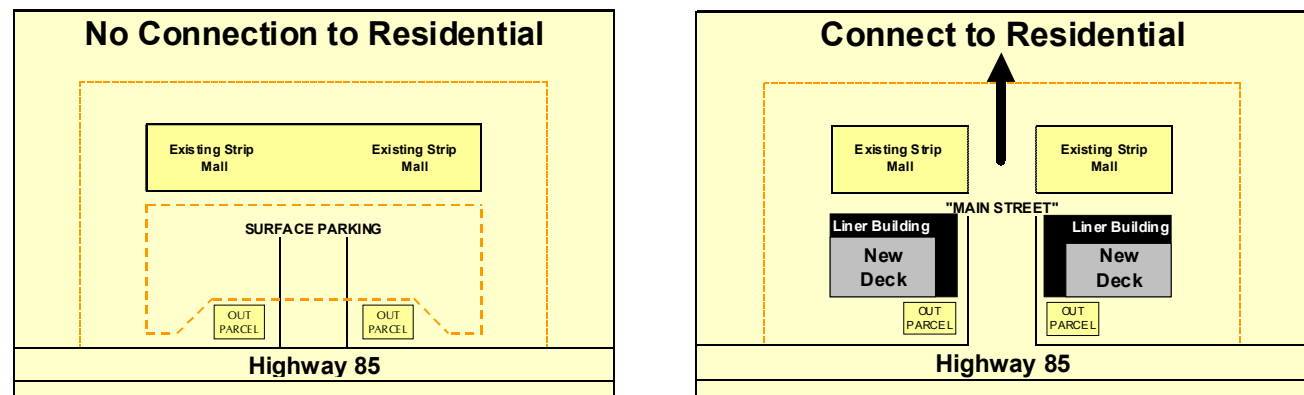
Housing, including multifamily and a mix of owner and renter housing, is a key to downtown revitalization. This is also a critical factor for revitalization and re-investment in strip shopping centers. Ideas for “strip recovery” or revitalization efforts of strip centers are discussed below.

Strip Recovery

Revitalization efforts for strip shopping centers include retrofitting existing retail centers into mixed-use activity centers. This is illustrated below.

Figure 13

Strip Recovery Process



CITY OF FAYETTEVILLE

As shown above, the strip shopping center by definition has no connection to residential. By breaking up the center and adding other uses in the parking lot, the center becomes pedestrian oriented and more inviting to the residential behind it. By converting the retail center to a mixed-use project, value is added to the residential behind it. This retrofitting reinforces the edge of a major artery and improves human scale, allowing for pedestrian orientation and adaptive reuse for employment and/or housing. Such development uses land and resources more efficiently, allowing for opportunities for shared parking and reduction of vehicular trips, thereby reducing traffic congestion.

While decked parking is illustrated in the diagram, this may or may not be feasible for the Fayetteville Study Area. A combination of open and parallel parking with lower parking ratio requirements than typical suburban strip centers (lower than five spaces per 1,000 per square feet) should be considered. Other re-uses for strip centers include:

- Call centers
 - These are highly competitive with other towns
- Telecom warehousing
 - There is low demand and smaller firms but could occupy some of the space particularly when retrofitted for mixed-use
- Professional offices
 - There is medium demand for this, again primarily small firms
- Institutional
 - Some of these are temporary, short-term users that typically go into existing centers and could include a school, church, government office or other institutional use.

Critical Factors to Revitalization

The following are critical factors important for successful revitalization efforts.

- Create synergy between uses, which in turn creates demand and support for the other uses
 - For this to occur, uses must be complimentary



CITY OF FAYETTEVILLE

- Uses should inter-relate
 - Office and residential typically balanced in terms of use
 - Retail catering to residential needs
- For this to occur, uses must be consistent
 - Positioning of one use impacts another
 - For example, high-end retail sets tone for residential or office above
- Relate retail to the community through connectivity and mixing of uses
 - Creates opportunities for pedestrian orientation
 - Can create an immersive experience
 - Serves as focal point for the neighborhood

The importance of creating synergy and connecting to the larger community is that it creates a project that is greater than the sum of the individual parts. For example, in a mixed-use environment, retail is more successful when residential is adjacent and residential commands premiums when integrated with commercial and/or office uses. This creates a sense of place or location and gives an identity to the project and area. The market recognizes this value and typically pays premiums in the 15% to 30% range. Additionally, appreciation rates are higher in mixed-use environments and absorption paces (leasing or sales) are faster.

Key Challenges to Revitalization

Some key challenges that small towns have encountered to successful revitalization include:

- Zoning and governmental policies that discourage:
 - New construction mixed-use
 - Renovation of existing structures
- Lack of political will to examine demand of commercial space and balance of housing to commercial
- Project financing requirements
- Hesitancy of some retailers toward concept
- Land Prices in some areas that prohibit re-development



CITY OF FAYETTEVILLE



LCI POTENTIAL IMPACT

Population, Housing and Employment Projections

In collaboration with the City of Fayetteville and the Stakeholders, the Urban Collage, URS and RCLCo Team identified two potential LCI projects for mixed-use development. These include an assemblage of 23.5 acres west of Georgia Highway 85 and 8.9 acres east of Georgia Highway 85, north of the downtown square. For the 23.5-acre site there is the potential for 154 housing units, 40,500 square feet of specialty retail and 15,000-square feet of office space. For the 8.9-acre site, which includes redevelopment of an existing car dealership, there is a potential for 63 residential units at a gross density of 8.9 units per acre. These sites represent excellent opportunities for the City of Fayetteville to capitalize upon the market, demographic and housing trends summarized earlier in our report. We believe that there is pent-up demand today for such higher-density “urban” housing products and increasing demand over the next 10-20 years, so much so that these sites will not satisfy future demand projections.

To determine population and housing projections as a result of the development of these sites, RCLCo prepared statistical demand models for each of the proposed product types to understand the market realities of this master plan’s success. The residential components were broken down into rental and for-sale products and then further classified by attached and detached product to match the needs of the changing market audience. The demand for these housing units was examined at the Fayette County level as data is not available for the study area specifically. It is our conclusion that due to the rapidly approaching build out of Peachtree City and the lack of sewer available to the majority of Tyrone, Fayetteville’s capture of this demand could theoretically be as high as 100%.

Rental Housing Demand

Using the Atlanta Regional Commission’s (ARC) most current household projections for Fayette County we classified the households into four main sources effecting rental-housing demand. These sources include: New Renter Households, Short-term renter Owners Households, Existing Renter Households Becoming Owners and Existing Owner Households Becoming Renters. The four sources were



CITY OF FAYETTEVILLE

statistically analyzed based on qualifiers obtained from the US Census 2000, American Housing Survey for the Atlanta Metropolitan Area 1996 and RCLCo industry knowledge to create a demand model. Renter propensities and turnover rates were applied. The resulting analysis indicates an annual demand potential for 243 rental-housing units in the area.

Figure 14

Rental Housing Demand

Sources of Demand				
New Renter Households	Owner Households Who Rent Short Term /3	Less Existing Renter Households Becoming Owners	Existing Owner Households Becoming Renters	
Annual New Households /1	Annual New Households /1	Fayette County Existing Renter Households 2001	Fayette County Existing Owner Households 2001 /2	
1,022	1,022	1,612	30,624	
x Demonstrated Renter Propensity /2	x Demonstrated Short Term Renter Propensity /4	x Demonstrated Annual Renter Turnover /5	x Demonstrated Annual Owners Becoming Renters	
33%	5%	39%	1%	
= New Renter Households	= Short Term Renter Households	= Renter Households in Turnover	= Existing Homeowners Becoming Renters	
337	51	629	306	
		x Renter Households Becoming Owners /5		
		80%		
		= Renter Households Becoming Owners /5		
		452		
				TOTAL
Annual Potential Fayette County Renter Household Demand Pool	337	51	-452	306 243

1/ From Atlanta Regional Commission's latest 2002 projections.

2/ US Census 2000.

3/ Owner households who rent prior to buying, typically 6-12 months.

4/ RCLCo estimate based on past survey's of suburban apartment developments. Can go as high as 10%.

5/ American Housing Survey for the Atlanta Metropolitan Area, 1996.



New For-Sale Housing Demand

In addition to adding rental housing product proximate to downtown the changing market trends also suggest demand for higher-density for-sale housing products. With smaller households on the rise from the aging baby-boomers as well as growth in non-traditional families and the young workforce looking for more “urban” housing locations, townhouses, lofts and smaller “cottage” style detached homes will be in increasing demand. Such product types already exist in Peachtree City. However, opportunities to replace this housing are no longer available in Peachtree City due to lack of land. The City of Fayetteville is the logical area to provide this housing type for county residents and new households. To quantify the demand for for-sale housing products we prepared a separate statistical demand model.

As with the rental housing demand we again used ARC’s latest household projections for Fayette County as a base for analysis. From this base we divided the market into three main sources effecting demand, they include: New Owner Households, Existing Owner Households and Existing Renters Becoming Owners. Again these three sources were statistically analyzed based on qualifiers obtained from the US Census 2000, American Housing Survey for the Atlanta Metropolitan Area 1996 and RCLCo industry knowledge, as well as demonstrated historical home sales in Fayette County, to create a statistical demand model. Households were qualified by owner propensities and turnover rates.

The demand results indicate support for 984 to 1,312 new higher-density for-sale housing units per year in the county, based on demographic projections for the next five years. We expect this demand to increase at a more rapid rate over the following ten to twenty year period.

The demand projections were further segmented based on the demonstrated home sales to determine an annual demand for attached product of between 148 and 197 units with an annual demand for detached product of between 837 and 1,116 units per year. We believe this to be conservative and expect the propensity for attached housing to increase over the next ten to twenty years. The demand model can be found on the following figure.

CITY OF FAYETTEVILLE

Figure 15

For-Sale Housing Demand

Sources of Demand			
New Owner Households	Existing Owner Households	Existing Renters Becoming Owners	
Annual New Households /1.....1,022	Fayette County Existing Owner Households 2001 /2.....30,624	Fayette County Existing Renter Households 2001 /2.....1,612	
x Demonstrated Owner Propensity /2.....67%	x Demonstrated Annual Owner Turnover /3.....9%	x Demonstrated Annual Renter Turnover /5.....39%	
= New Owner Households.....685	= Owner Households in Turnover.....2,756	= Renter Households in Turnover.....629	
	Less Owner Households Becoming Renters /3.....306	x Renter Households Becoming Owners /5.....80%	
	= Existing Owner Households Staying Owners.....2,450	= Renter Households Becoming Owners /5.....452	
	Net Owner Household Units to be Filled.....(306)		
Annual Potential Fayette County Owner Household Demand Pool.....6852,144452	TOTAL.....3,281
	x Preference to Purchase New Home /4.....		30-40%
	=Annual Potential Fayette County New Home Sales.....		984 - 1,312
	x Preference For Detached Housing Product /5.....		85.0%
	=Annual Potential Fayette County Detached New Home Sales.....		837 - 1,116
	x Preference For New Urbanist Housing Product /6.....		20-30%
	=Annual Potential Fayette County New Urbanist New Home Sales.....		167 - 335
	x Preference For Attached Housing Product /5.....		15.0%
	=Annual Potential Fayette County Attached New Home Sales.....		148 - 197

1/ From Atlanta Regional Commission's latest 2002 projections.

2/ US Census 2000.

3/ Based on American Housing Survey for the Atlanta Metropolitan Area, 1996 and more recent apartment surveys in Fayette County.

4/ Based on demonstrated sales in Fayette and similar counties.

5/ Based on Demonstrated home sales in Atlanta MSA.

6/ Based on consumer research conducted by RCLCo in Atlanta on product preferences.



Commercial Retail Potential for Mixed-Use Property

Building off our earlier work as summarized in a previous chapter of our report, we analyzed support for commercial retail in the study area for the mixed-use project. While most of the retail in the trade area consists of convenience and large “big box” retailers (as summarized previously in our report) and these are over-supplied, dining and specialty types of retail are actually under-served in the market. The mixed-use project proposed will help to satisfy this demand.

To indicate this further, we prepared the following analysis. Total retail sales within in the trade area, reported through sales tax, were obtained from Claritas, Inc. These sales figures were broken down into seven basic retail categories that are further segmented into 30 retail store types. By applying average sales per square foot of retail centers obtained from the Urban Land Institute’s publication Dollars and Cents of Shopping Centers 2000 we were able to translate the sales into supported retail square footage by store type.

Using retail employee data for the trade area, also obtained from Claritas, Inc., we estimated the total existing retail square footage by store type to determine the total net supportable gross leasable area (GLA) in the trade area. For future demand the same retail expenditure data was applied to the annual projected household growth from the ARC.

While this statistical analysis suggests some retail categories are under-served, the overall market is over-supplied for retail and it could be argued that many of these store types are actually be satisfied within the other categories. For example, comparison goods such as Wal-Mart also feature convenience goods (grocery), apparel and even some types of dining. Even so, we know that some dining and specialty goods and apparel would not be satisfied in this store type category.

While statistically, one could estimate un-met demand of 104,000 square feet of gross leasable area, it is likely much smaller than that because of the overlapping of store types. Even so, the 40,500 square feet at the mixed-use development should be supportable and should be designed for restaurants,



CITY OF FAYETTEVILLE

entertainment and specialty goods. These types of retail work better together in a village concept versus strip or big box retail centers. The demand analysis is shown in the table below.

Figure 16

Retail Demand

	Total Trade Area Sales 2001 /1	Total Trade Area Supportable Square Feet	Existing Square Feet In Trade Area	Total Trade Area Demand 2001	Total Annual Trade Area Supportable Square Feet 2001-2010	Total Trade Area Supportable Square Feet 2010
Comparison Goods	\$49,908,128	253,341	968,400	(715,059)	8,222	(641,060)
Eating and Drinking	\$46,208,478	223,165	142,650	80,515	7,243	145,699
Convenience	\$108,689,074	466,477	224,675	241,802	15,139	378,056
Gifts , Specialty, Other	\$21,190,365	110,366	542,500	(432,134)	3,582	(399,896)
Clothing and Access .	\$29,036,000	109,158	85,200	23,958	3,543	55,842
Dis count Dept Stores	\$46,740,568	295,471	603,500	(308,029)	9,589	(221,724)
Gas Stations	\$29,783,249	13,084	91,200	(78,116)	425	(74,294)
TOTAL	\$397,600,736	1,471,062	2,658,125	(1,187,063)	47,743	(757,377)

	Total Trade Area Supported 2001	Total Annual Trade Area Supportable Square Feet 2001-2010	Total Trade Area Supportable Square Feet 2010
Potential for Supported Store Types Eating and Drinking, Convenience (Grocery/Drug), Clothing and Accessories	346,274	25,925	579,598
Store Types for Downtown Eating and Drinking, Clothing and Accessories	104,473	10,785	201,542



Impact of Demand on Proposed Town Center Development Program

Armed with the aforementioned statistical demand results, the proposed mixed-use programs generated through the LCI Study were examined for market reality. We assumed that the earliest the LCI funding could be put in place would be sometime mid to late 2003. Following this, there would be property assemblage, developer commitment, development planning and City construction of the park and other infrastructure necessary to implement the mixed-use development. We assume that this process will take three years, so that consumer product sales would not begin before 2006.

Furthermore, we assumed that development would most likely begin on the 23.5-acre property west of Georgia Highway 85 first given that most of it is undeveloped and vacant. The more difficult site is the 8.9-acre site east of Georgia Highway 85. However, we believe that the current use (the car dealership) is not the highest and best use for that site. We further believe that once the mixed-use project on the 23.5-acre site has been developed, that redevelopment opportunities for the 8.9-acre site become more viable. Therefore, for this report we have assumed that development of the 8.9-acre site would not occur until 2009.

In calculating population, households and housing units generated by these sites, we have prepared the following analyses. As shown in Figure 17, the 23.5-acre mixed-use development could support 154 new for-sale and rental units cummulatively over the period of 2006 to 2009. Given the residential acreage of 23.5, this would represent a density of 6.5 units per acre to support these units.

The 8.9-acre site could support 63 new for-sale housing units cummulatively over the period of 2010 to 2012. Given the residential acreage of 8.9, this would represent a gross density of 7.1 units per acre to support these units.



CITY OF FAYETTEVILLE

Figure 17

Population and Housing Unit Projections, Mixed-Use Sites, LCI Study

CURRENT CONDITIONS --NO MAJOR INVESTMENT /1										
	1990	2001	Change 90 - 01	Projected 2005	Projected 2006	Change 01 - 06	2010	2015	2020	2025
Population	252	351	3.6%	381	388	2.1%	537	553	562	577
Households	101	149	4.3%	163	167	2.4%	182	194	204	210
Persons/HH	2.50	2.36		2.33	2.32		2.95	2.85	2.75	2.75

Estimated Addition of New Housing /2	2001 - 2006					2006 - 2010	2010 - 2015	2015 - 2020	2020 - 2025
For-Sale Detached	0					46	29		
For-Sale Semi-Attached	0					46	0		
For-Sale Townhouses	0					62	34		
For-Sale Lofts	0					10	0		
Rental Apartments	0					36	0		
New Units Added	0					154	63	0	0
Cumulative New Units Added	0					154	217	217	217

ASSUMING INVESTMENT WITH LCI GRANTS AND OTHER CITY INFRASTRUCTURE										
	1990	2001			2005	2006	2010	Projected 2015 2020 2025		
Population	252	351			381	388	814	944	952	968
Households	101	149			163	167	336	411	421	427
Persons/HH	2.50	2.36			2.33	2.33	2.42	2.30	2.26	2.27



CITY OF FAYETTEVILLE

As shown above, the development of these housing units would support a population of 391 in addition to the existing population and growth rate bringing the total population to 944 by 2015. Total households generated would be 217 combined with the existing households and current growth rate this would bring the total households to 411 by 2015.

In terms of employment, the mixed-use development would generate 136 jobs for the City of Fayetteville over the same period. This is shown in Figure 18 below.

Figure 18

Employment Growth Potential, Mixed-Use Project, LCI Study

CURRENT CONDITIONS--NO MAJ OR INVESTMENT /1										
	1990	1995	1999	Estimated		Projected				
				2000	2001	2005	2010	2015	2020	2025
Employment	2,419	3,369	4,129	4,362	4,608	5,438	6,217	6,801	7,040	7,173
Annual Change		7.9%	5.6%	5.6%	5.6%	4.5%	2.9%	1.9%	0.7%	0.4%
Estimated Addition of New Commercial Space /2	S.F. To Be Added	Total Jobs Added								
Office	15,000	55								
Retail	40,500	81								
Total	55,500	136								
Cumulative New Employment Added										
ASSUMING INVESTMENT WITH LCI GRANTS AND OTHER CITY INFRASTRUCTURE /3										
	1990	1995	1999	Estimated		Projected				
				2000	2001	2005	2010	2015	2020	2025
Base Employment	2,419	3,369	4,129	4,362	4,608	5,438	6,217	6,801	7,040	7,173
Office							55			
Retail							81			
Cumulative Incremental Employment						0	136	136	136	136
Total Employment						5,438	6,352	6,936	7,175	7,308



COMPANY QUALIFICATIONS

RCLCo is the nation's leading independent real estate advisory firm, providing market and financial analysis and strategic planning for a broad spectrum of private and public sector clients. We are recognized in the industry as having the ability to address specific project situations as well as our clients' overall long-term strategic needs. Our services are customized to address our clients' particular needs, supported by both quantitative analysis and creative problem solving.

We are committed to helping clients gain a competitive advantage in the marketplace. Our services include market and financial analyses, product programming, strategic planning, consumer research, appraisals, optimization analysis, disposition strategy and investment advisory. We are often called upon to help conceive a strategy plan that maximizes land values, by considering local market trends, regional growth, competition, and financial criteria. Our goal in all such engagements, regardless of the macro or micro issues at hand, is to translate market knowledge and our experience into winning strategic advice for our clients.

We work with downtown revitalization efforts and mixed-use developments throughout North America. We are known in the industry for our ability to interpret information and help our clients take advantage of market opportunities. Our goal in all such engagements, regardless of the macro or micro issues at hand, is to translate market knowledge and our experience into winning strategic advice.

* * * *

This engagement was conducted by Belinda Sward, Managing Director, and David Laube, Associate. If you have any questions regarding the conclusions and recommendations included herein, or wish to learn about other RCLCo advisory services, please call (404) 365-9501.



GENERAL LIMITING CONDITIONS

Every reasonable effort has been made to insure that the data contained in this study reflect the most accurate and timely information possible and it is believed to be reliable. This study is based on estimates, assumptions and other information developed by RCLCo from its independent research effort, general knowledge of the industry and consultations with the Client and its representatives. No responsibility is assumed for inaccuracies in reporting by the Client, its agent and representatives or any other data source used in preparing or presenting this study. This report is based on information that was current as of December 16, 2002, and RCLCo has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates or opinions that represent our view of reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report and the variations may be material. Therefore, no warranty or representation is made by RCLCo that any of the projected values or results contained in this study will actually be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co., LLC" or "RCLCo" in any manner without first obtaining the prior written consent of RCLCo. No abstracting, excerpting or summarization of this study may be made without first obtaining the prior written consent of RCLCo. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the Client without first obtaining the prior written consent of RCLCo. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCo.

